

**U.S. Department of the Interior
Bureau of Land Management
White River Field Office
220 E Market St
Meeker, CO 81641**

CATEGORICAL EXCLUSION

NUMBER: DOI-BLM-CO-110-2011-0018-CX

CASEFILE/PROJECT NUMBER: COC74689

PROJECT NAME: Access Road to Existing Curton Capital Wells

LEGAL DESCRIPTION: Sixth Principal Meridian, Colorado

T. 1 N., R. 102 W.,
sec. 5, E $\frac{1}{2}$ W $\frac{1}{2}$;
sec. 7, lot 5;
sec. 8, lot 6.
T. 2 N., R. 103 W.,
sec. 23, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$;
sec. 24, SW $\frac{1}{4}$ SW $\frac{1}{4}$;
sec. 25, NW $\frac{1}{4}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ NW $\frac{1}{4}$;
sec. 26, SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ SW $\frac{1}{4}$.

APPLICANT: Curton Capital Corporation

BACKGROUND: A right-of-way (ROW) for access roads was issued to Bluebell Oil Company on July 15, 1993. Curton Capital Corporation (Curton) purchased the wells from Bluebell Oil Company on September 01, 2005, but the road ROW was never assigned to Curton. Bluebell Oil Company has not requested relinquishment or assignment of the ROW and has not paid rental for the ROW; therefore, ROW COC55316 will be terminated and the case file closed. Curton's use of the well access roads will require a new authorization.

DESCRIPTION OF PROPOSED ACTION: Curton requests a ROW for existing access roads to serve wells in oil & gas leases COD052605 and COD051529 (see Exhibit A). The authorization is for 25,500 feet of access roads with a width of 25 feet, containing approximately 14.63 acres.

Curton agrees to the terms and conditions of original ROW COC55316. No construction or other surface disturbance will be authorized under this action. Any future surface disturbing activities will require appropriate application, analysis, and authorization.

CER-017-93-063 analyzed the access roads and was signed 6/30/1993.

PLAN CONFORMANCE REVIEW: The Proposed Action is subject to and has been reviewed for conformance with (43 CFR 1610.5-3, BLM 1601.08) the following plan:

Name of Plan: White River Record of Decision and Approved Resource Management Plan (ROD/RMP).

Date Approved: July 1, 1997

Decision Number/Page: Page 2-49

Decision Language: “To make public lands available for the siting of public and private facilities through the issuance of applicable land use authorizations, in a manner that provides for reasonable protection of other resource values.”

CATEGORICAL EXCLUSION REVIEW: The Proposed Action qualifies as a categorical exclusion under 516 DM 11.9, E16: *“Acquisition of easements for an existing road or issuance of leases, permits, or rights-of-way for the use of existing facilities, improvements, or sites for the same or similar purposes.”*

The Proposed Action has been reviewed with the list of extraordinary circumstances (43 CFR 46.215) described in the table below.

Extraordinary Circumstance	YES	NO
a) Have significant adverse effects on public health and safety.		X
b) Have significant impacts on such natural resources and unique geographic characteristics as historic or cultural resources; park, recreation, or refuge lands; wilderness areas; wild or scenic rivers; national natural landmarks; sole or principal drinking water aquifers; prime farmlands; wetlands; floodplains; national monuments; migratory birds; and other ecologically significant or critical areas.		X
c) Have highly controversial environmental effects or involve unresolved conflicts concerning alternative uses of available resources.		X
d) Have highly uncertain and potentially significant environmental effects or involve unique or unknown environmental risks.		X
e) Establish a precedent for future action or represent a decision in principle about future actions with potentially significant environmental effects.		X
f) Have a direct relationship to other actions with individually insignificant but cumulatively significant environmental effects.		X
g) Have significant impacts on properties listed, or eligible for listing, in the National Register of Historic Places as determined by either the bureau of office.		X

Extraordinary Circumstance	YES	NO
h) Have significant impacts on species listed, or proposed to be listed, on the List of Endangered or Threatened Species, or have adverse effects on designated Critical Habitat for these species.		X
i) Violate a Federal law, or a State, local or tribal law or requirement imposed for the protection of the environment.		X
j) Have a disproportionately high and adverse effect on low income or minority populations		X
k) Limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly affect the physical integrity of such sacred sites.		X
l) Contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area or actions that may promote the introduction, growth, or expansion of the range of such species.		X

INTERDISCIPLINARY REVIEW:

The Proposed Action was presented to, and reviewed by, the White River Field Office interdisciplinary team on 11/2/2010. A complete list of resource specialists who participated in this review is available upon request from the White River Field Office. The table below lists resource specialists who provided additional remarks concerning cultural resources and special status species.

Name	Title	Resource	Date
Michael Selle	Archaeologist	Cultural Resources, Native American Religious Concerns	11/15/2010
Ed Hollowed	Wildlife Biologist	Special Status Wildlife Species	1/12/2012
Zoe Miller	Ecologist	Special Status Plant Species	1/19/2012

REMARKS:

Cultural Resources: The Proposed Action does not involve any new soil disturbance and represents a change in right-of-way holder. There should be no new impacts to cultural resources under the Proposed Action.

Paleontological Resources: The proposed rights-of-way are located in an area generally mapped as the Mancos shale and Sego sandstones of the Cretaceous Age (Tweto, 1979). The BLM WRFO has classified these formations as PFYC 3 formations in this area suggesting that fossil remains are rare and mostly include invertebrate marine specimens (Armstrong and Wolny, 1989). There should be no new impacts to fossils under the Proposed Action.

Native American Religious Concerns: No Native American religious concerns are known in the area, and none have been noted by Northern Ute tribal authorities. Should recommended inventories or future consultations with Tribal authorities reveal the existence of such sensitive properties, appropriate mitigation and/or protection measures may be undertaken.

Special Status Wildlife Species: The Proposed Action involves the reassignment of ROW terms for existing road access in the long- and heavily-developed Rangely Oil Field. The project area is occupied by the BLM-sensitive white-tailed prairie dog, whose burrow systems constitute potential habitat for a reintroduced experimental/non-essential population of endangered black-footed ferret and the BLM-sensitive burrowing owl. Since ferret recovery efforts were initiated in neighboring Utah and Colorado (2001), there has been no evidence suggesting that ferrets have inhabited Coal Oil Basin. The WRFO has no records of burrowing owl in this portion of the Rangely Oil Field. Although ferret populations in WRFO have recently been exposed to a plague epizootic that has all but extirpated ferrets reestablished in Colorado, until that point, ferrets demonstrated a strong and consistent tendency to establish in high density prairie dog colonies.

The Proposed Action would have no further influence on prairie dog habitat than that associated with the existing road network, which involves long-established and regularly maintained roads (about 4.4 miles or 81 percent of the ROW) and seldom used and unmaintained 2-tracks (1 mile in two segments). These routes collectively intersect about 0.7 mile of low-density and discontinuous prairie dog habitat (active and inactive towns), including about 556 meters (0.3 mile) of unmaintained two-track and pipeline corridor. The only potential adverse effect imposed on prairie dogs and the potential habitats they provide to ferrets and burrowing owl would occur in the event these unmaintained routes were maintained or upgraded. This work would be expected to involve further surface disturbance, disruption of subsurface burrow features, and localized expansion of the maintained road network.

In order to perform appropriate raptor, ferret, and prairie dog surveys and clearances and evaluate access-related influences on habitat associated with these special status animals, no maintenance and upgrading operations should be performed on those ROW segments encompassed by the following aliquot parts without further NEPA analysis:

- Township 1 North, Range 102 West, section 5: SWNESW.
- Township 2 North, Range 103 West, section 26: S2SWNW, SW.

Special Status Plant Species: A portion of the Proposed Action falls within the White River Riparian Area of Critical Environmental Concern (ACEC). There are no known concerns with special status plant species since the Proposed Action involves the use of these ROWs, and no construction or other surface disturbance will be authorized under this action. If any future surface disturbing or maintenance activities are required, then appropriate surveys and environmental analysis will be necessary.

MITIGATION: All applicable terms and conditions contained in original right-of-way grant COC55316 will apply to this action (see Exhibit B). The following additional terms and conditions will apply:

1. At least 90 days prior to termination of the right-of-way, the holder shall contact the Authorized Officer to arrange a joint inspection of the right-of-way. The inspection will result in the development of an acceptable termination and rehabilitation plan submitted by the holder. This plan shall include, but is not limited to, removal of facilities, drainage structures, and surface material; recontouring; topsoiling; or seeding. The Authorized Officer must approve the plan in writing prior to the holder's commencement of any termination activities.
2. Any proposal involving additional surface disturbance requires an application to the BLM for analysis and authorization. New stipulations for construction would be applied to projects subject to the regulations and policies existing at the time of authorization.
3. The holder shall monitor all disturbed and reclaimed areas through final abandonment for the presence of invasive, non-native, and/or noxious plant species. The applicant will be responsible for eradication of noxious weeds that occur on site using materials and methods approved in advance by the Authorized Officer.
4. The holder is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. The holder will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. The operator/holder/applicant, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
5. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the AO, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
6. The holder is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate fossils, collecting large amounts of petrified wood (over 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands. If any paleontological resources are discovered as a result of operations under this authorization, the holder or any of his agents must stop work immediately at that site, immediately contact the BLM Paleontology Coordinator, and make every effort to protect the site from further impacts, including looting, erosion, or other human or natural damage. Work may not resume at that location until approved by the AO. The BLM or designated paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, the operator will be allowed to continue

construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator's instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.

7. No maintenance or upgrading operations would be permitted on those ROW segments encompassed by the following aliquot parts without further NEPA analysis:

- Township 1 North, Range 102 West, section 5: SWNESW.
- Township 2 North, Range 103 West, section 26: S2SWNW, SW.

COMPLIANCE PLAN: On-going compliance inspections and monitoring will be conducted by the BLM White River Field Office staff during and after construction. Specific mitigation developed in this document will be followed. The holder will be notified of compliance related issues in writing, and depending on the nature of the issue(s), will be provided 30 days to resolve such issues.

NAME OF PREPARER: Stacey Burke

NAME OF ENVIRONMENTAL COORDINATOR: Heather Sauls

COMPLIANCE WITH NEPA

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with 516 DM 11.9, E16. This categorical exclusion is appropriate in this situation because there are no extraordinary circumstances potentially having effects that may significantly affect the environment. The Proposed Action has been reviewed, and none of the extraordinary circumstances described in 43 CFR 46.215 apply.

SIGNATURE OF AUTHORIZED OFFICIAL:



Field Manager

DATE SIGNED:

02/07/2012

ATTACHMENTS:

Exhibit A – Map of Proposed Action

Exhibit B – Terms and Conditions from original ROW COC55316

COC55316 Access Roads ROW

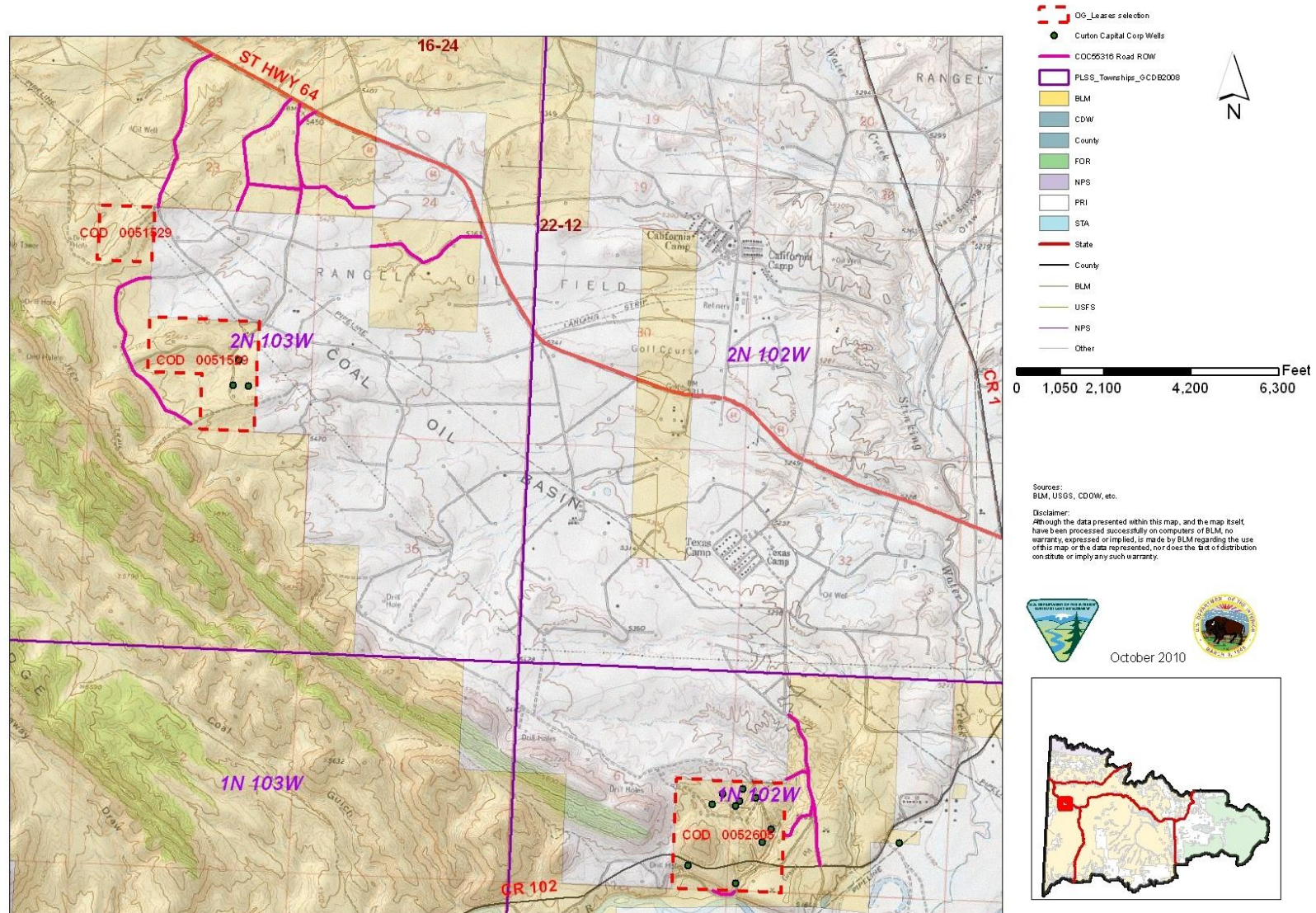


Exhibit B

SPECIAL STIPULATIONS

1. The holder shall conduct all activities associated with the construction, operation, and termination of the right-of-way within the authorized limits of the right-of-way.
2. Holder shall maintain the right-of-way in a safe, usable condition, as directed by the authorized officer. A regular maintenance program shall include, but is not limited to, blading, ditching, culvert installation, and surfacing.
3. Right-of-way sites shall be maintained in a sanitary condition at all times; waste materials, as designated by the authorized officer, shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and equipment.
4. This right-of-way shall terminate without further action or notice on the part of this Bureau if at any time subsequent to its effective date, the access road facilities authorized are no longer necessary for the holder to service an active oil and gas well.
5. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

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Meeker, CO 81641**

DECISION RECORD

PROJECT NAME: Access Road to Existing Curton Capital Wells

CATEGORICAL EXCLUSION NUMBER: DOI-BLM-CO-2011-0018-CX

DECISION

It is my decision to implement the Proposed Action, as mitigated in DOI-BLM-CO-2011-0018-CX, authorizing operation, maintenance, and termination of existing off-lease access roads.

Mitigation Measures

1. All applicable terms and conditions contained in original right-of-way grant COC55316 will apply (see Exhibit B).
2. At least 90 days prior to termination of the right-of-way, the holder shall contact the Authorized Officer to arrange a joint inspection of the right-of-way. The inspection will result in the development of an acceptable termination and rehabilitation plan submitted by the holder. This plan shall include, but is not limited to, removal of facilities, drainage structures, and surface material; recontouring; topsoiling; or seeding. The Authorized Officer must approve the plan in writing prior to the holder's commencement of any termination activities.
3. Any proposal involving additional surface disturbance requires an application to the BLM for analysis and authorization. New stipulations for construction would be applied to projects subject to the regulations and policies existing at the time of authorization.
4. The holder shall monitor all disturbed and reclaimed areas through final abandonment for the presence of invasive, non-native, and/or noxious plant species. The applicant will be responsible for eradication of noxious weeds that occur on site using materials and methods approved in advance by the Authorized Officer.
5. The holder is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. The holder will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation

Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. The operator/holder/applicant, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.

6. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the AO, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

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8. No maintenance or upgrading operations would be permitted on those ROW segments encompassed by the following aliquot parts without further NEPA analysis:

- Township 1 North, Range 102 West, section 5: SWNESW.
- Township 2 North, Range 103 West, section 26: S2SWNW, SW.

COMPLIANCE WITH LAWS & CONFORMANCE WITH THE LAND USE PLAN

This decision is in compliance with the Endangered Species Act and the National Historic Preservation Act. It is also in conformance with the 1997 White River Record of Decision/Approved Resource Management Plan.

PUBLIC INVOLVEMENT

The BLM informed the public about this project by listing it on the online WRFO NEPA Register and a copy of the completed Categorical Exclusion will be posted on the WRFO website.

RATIONALE

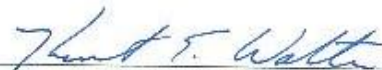
The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with 516 DM 11.9, E13. This categorical

exclusion is appropriate in this situation because there are no extraordinary circumstances potentially having effects that may significantly affect the environment. The Proposed Action has been reviewed, and none of the extraordinary circumstances described in 43 CFR 46.215 apply.

ADMINISTRATIVE REMEDIES

This decision shall take effect immediately upon the date it is signed by the Authorized Officer and shall remain in effect while any appeal is pending unless the Interior Board of Land Appeals issues a stay (43 CFR 2801.10(b)). Any appeal of this decision must follow the procedures set forth in 43 CFR Part 4. Within 30 days of the decision, a Notice of Appeal must be filed in the office of the Authorized Officer at White River Field Office, 220 East Market St., Meeker, CO 81641 with copies sent to the Regional Solicitor, Rocky Mountain Region, 755 Parfet St., Suite 151, Lakewood, CO 80215, and to the Department of the Interior, Board of Land Appeals, 801 North Quincy St., MS300-QC, Arlington, VA, 22203. If a statement of reasons for the appeal is not included with the notice, it must be filed with the Interior Board of Land Appeals at the above address within 30 days after the Notice of Appeal is filed with the Authorized Officer.

SIGNATURE OF AUTHORIZED OFFICIAL:


Field Manager

DATE SIGNED:

02/07/2012